

# CONSTRUCTION NEWS

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### • NCC: Aims and Objectives

- To unify the construction Industry, to promote its well being, to strive to create a profitable environment for its constituents, and to establish a united national platform encompassing formal and informal sectors of the industry and its professions
- To contribute to the reconstruction, rehabilitation and development of Zambia and the uplifting of all its people
- To promote and advance the status and public recognition of NCC, its members and the construction industry
- To promote encourage, support or oppose any legislation or other measures affecting the industry
- To address macro issues affecting the industry
- To co-ordinate, improve and facilitate the accessibility of training
- To strive, achieve, monitor and maintain the highest possible standards in the construction industry
- To add and amend these objects from time to time as decided upon by the National Council

## CONDITIONALITIES IN WORLD BANK FUNDED PROJECTS!! NOT FROM US-WB



NCC President, Dr. Ndilila officially opened the Workshop on "Procurement on World Bank financed projects"

The National Council for Construction (NCC) recently held a one day workshop on the 28th March 2000, at the Pamodzi Hotel. The theme for the Workshop was "**Procurement on World Bank financed projects**". The workshop drew a total of 102 participants from a cross section of the Zambian construction industry i.e. small, medium and large consultants and contractors. There were also a few participants that came from within our region.

Officially opening the Workshop, The NCC President, Dr. Ndilila above, summarised the expectations of

most participants at the workshop in saying, "This workshop has been overdue by a few years, nevertheless, I am sure all of us are glad to have it now than never at all. Due to the many questions and uncertainties that most of us have had about our participation in World Bank funded projects our expectations of this workshop are very high".

Mr. Krishnakumar, the Senior Procurement Specialist from Washington DC and main presenter at the workshop however tried to answer most of the participant's questions.

Most participants would, however, have been very surprised and in a way disappointed to hear that the World Bank does place any unique conditionalities on their funded projects other than those placed by most other commercial banks. The workshop was told that, if any conditionalities have been placed on World Bank funded projects in Zambia, then these conditionalities should have come from the Zambian Government. Mr. Krishnakumar went on to elaborate that, the World Bank

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## CONDITIONALITIES IN WORLD BANK FUNDED PROJECTS!! NOT FROM US-WB

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has standard borrowing conditions for all member countries, although individual borrowers could vary these with the permission of the Bank. Mr. Krishnakumar made the above remarks in reference to a question from one of the participants who wanted to know why the Bank had favourable conditionalities in other African countries like Kenya and Zimbabwe, where local consultants and contractors had a large share of World Bank funded works.

The workshop was very

revealing on a number of issues and we now hope that most local Consultants and Contractors are now better placed to secure projects funded by the Bank. From the question and answer session, it was clear that some of the misgivings by our local consultants and contractors were based merely of the lack of information. For instance, it was also sad to note that over 85% of the Workshop participants had not seen the two WB procurement guideline booklets i.e. Procure-

ment under IBRD loans and Credits and Selection and employment of Consultants by the World bank Borrowers, prior to the workshop.

It would be wrong, however, if we gave the impression that the workshop answered all the questions and expectations of the participants. The workshop was nevertheless a step in the right direction, although it was a "few years overdue". A full report on the workshop proceedings is being sent to all paid participants.

*Not everything that is faced can be changed, but nothing can be changed until is faced"*  
James Baldwin

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## FUTURE OF (GRZ) ROADS TRAINING SCHOOL ASSURED?

A two-days workshop was organised at the Kafue Gorge (ZESCO) Training school in Kafue on the 5th and 6th April 2000, to discuss and plan the future of the Roads Training school.

Officially opening the workshop, the Permanent Secretary in the Ministry of

Works and Supply, Mr. Nyirenda assured the stakeholders and participants that the Government was committed to seeing the Roads Training School become a viable construction school, with private sector participation.

At the heart of these discus-

sions, was the proposal to turn the Roads Training School into a Trust. To that end, an Advisory Board comprising all stakeholders (including the NCC and the ABCEC) has been formed. The Advisory Board is expected to start work almost immediately.

*"One of the greatest discoveries a man makes to his great surprises, is to find he can do what he was afraid he couldn't do"-Henry Ford*

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## FUEL PRICE HIKED AGAIN, AS CONSTRUCTION BUDGETS ARE THROWN IN DISARRAY!!

For the third time this year, the price of fuel has been increased. The price of petrol and other petroleum products was increased by between 20 to 30% with effect from Monday 27th March (at midnight). No doubt, this fuel increase will have adverse budgeting effects on all construction related projects. As if that

was not enough, we are told ZESCO is already considering a hike on electricity tariffs. Least we forget, fuel and especially diesel is used mainly for transporting construction materials, and powering machines on sites. Hence any increase in fuel is bound to call for appropriate adjustment in the final project cost.

It is no wonder, everybody is now quoting in dollars. But even then, Zambia's fuel increases do not seem to reflect international fuel prices or the money market. Our concern, therefore, is on Government contracts, like the PHI, which continue to quote and budget in Kwacha. Given the above, will the launch of PHI in the provinces take off?.

## USE SPECIALISED SUB-CONTRACTORS, BUILDING CONSULTANTS URGED

Mr. A. Luring, the Managing Director of Drake and Gorham, and one of the two NCC Vice Presidents, has called upon the Zambian construction industry in general, and the building consultants in particular, to make more use of the available specialised sub-contractors, than is the case now.

Presenting a discussion paper at the NCC National Council meeting held at the Ministry of Works and Supply Headquarters Conference Room on 4th

March 2000, Mr. Luring observed that it had become increasingly common on most construction sites to find a single (and main) contractor carrying out all trades on site. Mr. Luring further observed that not only was the above phenomena depriving specialised sub-contractors of work and therefore forcing many of them out of business, but had to some extent also led to sub-standard workmanship on many sites in Zambia. Mr. Luring was not against the contractor doing special-

ised works, if the main contractor had the capacity and expertise to carry out the works, in which case Mr. Luring suggested that the main contractor should also bid for the specialised works.

The National Council meeting agreed in principle with Mr. Luring's paper, although it was generally felt that there was need to clearly identify these specialised sub-contractors and verify that they actually had the expertise to do what they claimed to do.

*"I am all for advance payments, but the problem I find with most of us contractors, is that when given advance payments, we go out and buy a very expensive car and get an extra wife, thus ending up not finishing the works."*

*-Participant at the World Bank Workshop*

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## ZAMBIA'S REAL ESTATE MARKET DOLLARIZED AND DEMAND ADVANCE PAYMENT!

The constant fall in the value of the Zambian currency: Kwacha has now led to a situation where most properties are quoted in dollars. One has only to read any one of our daily papers to see how widespread this phenomenon is.

Obviously landlords are quoting in dollars so as to cushion themselves from the effect of the falling Zambian Kwacha. But one wonders how sustainable this phenomenon is going to be, especially in the housing sub-market, given that most Zambians are

paid in Kwacha and salaries are rarely adjusted.

Another common phenomena in the Zambian Real Estate market is the demand by landlords and their agents (mostly cow-boys), to receive rents three to twelve months in advance.

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## DRAFT PROPOSED (ZAMBIA) NCC ACT IN CIRCULATION

The NCC secretariat has drafted the proposed NCC Act and have since circulated the same document to all NCC affiliates for their comments, corrections, omissions and additions. The above draft Act was modelled on the Malawi Act, for the simple reason that this was the only Construction Industry Act we could lay our hands

on. Members will, therefore, realise that there will be some clauses in this draft Act which may not necessarily apply to the Zambian situation, and members are therefore, asked to make the necessary corrections.

It is envisaged that once all the comments have been received from the

affiliates, a working draft Act can be written and thereafter a national workshop called to discuss the same. The final proposed Act will, therefore, be written from the resolutions of the national workshop, and presented to our line Ministry for onward submission to cabinet for consent and presentation to parliament.

**SPECIAL FEATURE ARTICLE FROM CBU:****INTRODUCING THE SUPPORT FOR THE IMPLEMENTATION OF THE (HABITAT) NATIONAL PLANS OF ACTIONS (SINPA)****Introduction**

The SINPA -Zambia project is one of the three country projects of the SINPA programme, funded by the Netherlands government. The other two are SINPA - Bolivia and SINPA - Bangladesh. SINPA stands for 'Support for the Implementation of the (Habitat) National Plans of Action'. The SINPA programme represents a contribution by the Netherlands government to the crucial task of building capacity required to implement the National Plans of Action and the Habitat Agenda the implementation of which governments committed themselves to at the Habitat II conference in Istanbul in 1996. The project offers the services of the Institute for Housing and Urban Development (IHS), based in the Netherlands, to help the three countries involved in the implementation of their National Plans of Action for Human Settlements. Central to the SINPA programme is the concept of capacity building.

**SINPA core-programme**

The SINPA programme represents a contribution to the enormous task of building the capacity required to implement the National Plan of Action developed and agreed in the context of the Habitat II Conference. First discussions on the programme were held during the Habitat II conference itself. SINPA Core programme based at the IHS in the Netherlands which facilitates coordination between the country projects, the development of relevant case materials for the country projects and feeds relevant experiences into and from an international network to the country projects

**The overall goal of the SINPA programme is:**

To help implement National plans of Action and the Habitat Agenda by building sustainable local capacity for effective planning and management of urban development. In particular the programme is concerned with helping to improve capacity to better meet the challenges of improving access to services and

better environment for the urban poor.

**The broad objectives of the programme are:**

- To stimulate local capacity building strategy development;
- To stimulate selected local and national capacity building institutions to develop and become more responsive to needs;
- To fully utilise relevant and ongoing project and programme experience;
- To improve understanding and communication of experience relevant to needs of city development in the linked areas of housing, environmental management, participative planning and partnerships.

From its conception, the SINPA-programme adopted a process approach whereby it is progressively defined together with local stakeholders. This approach is used to maximise local support for the programme and to fit it well to local needs. During the inception phase of the programme,

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*“Governments (borrowers) are solely responsible for the preparation of procurement plans, preparation and issuance of bidding documents, inviting bidders, receiving and evaluating bids/proposals awarding contracts and implementing. The (World) Bank is not involved in the procurement process” - Mr. V. S. Krishnakumar: Senior Procurement Specialist at the World Bank Washington Office*

From previous page therefore, participatory project formulation workshops were held in the three countries in first half of 1997. In Zambia this workshop was held in March 1997 at Kafue Gorge. The results of these workshops formed the basis for the elaboration of the SINPA programme. The programme has evolved progressively through a series of participatory workshops as it is implemented. It is a three year programme and will run from 1<sup>st</sup> August 1998 to 1<sup>st</sup> August 2001.

#### **National Plan of Action of Zambia**

Based on the broad objectives of 'adequate shelter for all' and 'sustainable human settlements development, the Government of Zambia formulated the following specific objectives for its National Plan of Action:

- The pillars of governance shall be strengthened;
- An intensified civic education cam-

paign shall be mounted to sensitise the people on the gains of implementing people-centred development programs;

- The development of labour intensive-economic activities shall be promoted;

- Public infrastructure shall be improved;

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Dependable social safety-nets shall be established, and;

- Efficient planning systems shall be established.

The National Plan of Action clearly specifies that action at the local level is crucial in the attainment of the objectives and stresses the importance of capacity building at that level.

The School of Built Environment (SBE) at the Copperbelt University (CBU) was recognised as an important capacity building institution in relation to Kitwe and was hence identi-

fied as a key partner in the SINPA-Zambia project. It was therefore, agreed that the project be housed at SBE and that a National Project coordinator be selected from among the SBE staff. In future, other capacity building institutions will be involved in the project as well. Both the Ministry of Local government and Housing (MLGH) and the IHS play a facilitating role in the SINPA-Zambia project. Additionally IHS also provides technical assistance to both KCC and SBE/CBU. A steering committee was established for project coordination and guidance in January 1999. The National Project Coordinator provides support in project implementation and in the functioning of the steering committee. The project is run by a steering committee chaired by the MLGH. Its membership is derived CBU, KCC, Lusaka Sustainable (LSP), CARE international, Netherlands Embassy etc.

## **WORKSHOP ON FAMILIARIZATION AND AWARENESS OF THE NATIONAL COUNCIL FOR CONSTRUCTION**

The national Council for Construction will be conducting a workshop on the subject: familiarization and awareness of the National Council for Construction, at the Lilayi Lodge, Lusaka on Friday, 5th May 2000.

#### **I. Workshop Objectives**

To identify and discuss constraints & opportunities in the Zambian Construction Industry, with a view to promoting

local Construction Industry.

#### **2. Target Group**

Architects, Surveyors, Engineers, Contractors and other interested parties

#### **3. Timing**

5th May 2000, from 8:00hrs to 18:00hrs

#### **4. Venue: Lilayi Lodge**

#### **5. Fees: K100,000**

#### **6. Closing Date: 28th April 2000**

#### **Seminar Content:**

A total of six (6) papers will be presented and discussed. Presenters will come from PHI, NRB, LCC, ZIC. Please note that, the workshop resolutions will form part of the NCC, 2001 budget and policy proposals to Government.

For more details please contact the Executive Secretary or the Conference Co-ordinator at the Secretariat

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*Helping to  
develop Zambia*



## NCC developing (Zambia) Construction industry website

*Be part of the next information technology, Subscribe now-Firms and individuals*

*The National Council for Construction (NCC) is developing a Website for all construction related activities, including details of construction firms and personnel in Zambia. It is intended that the above proposed website will contain all information pertaining to the Zambian Construction industry. A preliminary data base on all firms and personnel in the Zambian construction industry, to be placed on this site has already been compiled, and is now been verified by the various Professional Institutes and Trade Associations. Companies and individuals not currently registered with any of the NCC affiliates, but wishing to be included on this data base should contact the NCC Secretariat soonest.*

*A Construction Directory in hard copy will also been produced and will be on sale in all major shopping outlets. The Construction Directory is scheduled for launching at the end of June 2000. The deadline for submission of all company and individual entries is end of May 2000.*

*It is further proposed that the NCC and NRB websites should be linked together. This will mean that browsing through any one of the two websites will automatically give the reader access to the other website.*

### THINKING OF ORGANISING A WORKSHOP / CONFERENCE / SEMINAR? THEN CONTACT NCC SECRETARIAT

The NCC, as part of its activities either on behalf of its members or for independent clients, organises conferences, workshops and seminars on a variety of topics related to the Construction industry. Resource persons can be drawn if required from its membership of consultants, contractors and Government.

The NCC operates a full time secretariat which is currently situated at Bau House, Plot 1125, Parire-

nyatwa road, Fairview. The NCC also provides the following services; Photocopying, fax, e-mail, typing and internet facilities.

To organise a workshop/conference/seminar the independent client or member organization will have to:

Make a request in writing stipulating the type of service required

Pay a non-refundable commitment fee of US\$250

#### Contact persons:

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